



Court File: 27761
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF
the Extradition Act, SC 1999, c. 18, as amended

AND IN THE MATTER OF
the Attorney General of Canada on behalf of
the United States of America
and
Wanzhou Meng, also known as "Cathy Meng" and "Sabrina Meng"

AFFIDAVIT

I, Constable Winston Yep, peace officer, of the City of Surrey, Province of British Columbia, make oath and say as follows:

1. I am a member of the Royal Canadian Mounted Police ("RCMP"), currently assigned to its Foreign and Domestic Liaison Unit located in Surrey, British Columbia. I am also the officer assigned to assist the Department of Justice in this case. As such, I have knowledge of the matters deposed to in this affidavit, except where they are stated to be based on information and belief and where so stated, I believe them to be true.
2. I swear this affidavit in support of an application for a warrant for the provisional arrest of Wanzhou Meng ("Meng"), also known as "Cathy Meng" and "Sabrina Meng" pursuant to section 13 of the *Extradition Act*.
3. In accordance with the *Treaty on Extradition between the Government of Canada and the Government of the United States of America*, on November 30, 2018, the Government of the United States of America (the "Requesting State") requested the Government of Canada to have Meng provisionally arrested (the "Request") to be prosecuted for offences contrary to the laws of the United States of America (the "U.S. Charges").

4. On November 30, 2018, the Minister of Justice, through her authorized official, authorized the Attorney General of Canada to apply for a warrant for the provisional arrest of Meng pursuant to section 12 of the *Extradition Act*. A copy of the Minister's authorization is attached to this affidavit as **Exhibit A**.
5. I have read the Request and believe its contents to be true. Unless otherwise stated, the contents of this affidavit are based on the Request.

IDENTIFYING INFORMATION OF MENG

6. The Request lists the following identifying information for Meng:

Name:	Wanzhou Meng
Aliases:	"Cathy Meng" and "Sabrina Meng"
Date of birth:	February 13, 1972
Birth place:	People's Republic of China
Citizenship:	People's Republic of China
Gender:	Female
Ethnicity:	Asian
Hair colour:	Brown
Eye colour:	Brown
Passport:	Hong Kong passport KJ0403962
Appearance:	attached as Exhibit B to this affidavit is a copy of a photograph of Meng provided by the Requesting State in the Request.

EXISTENCE OF AN ARREST WARRANT ISSUED IN THE UNITED STATES OF AMERICA

7. According to the Requesting State, on August 22, 2018, the Honourable Roanne L. Mann, Magistrate Judge for the Eastern District of New York, issued a warrant for the arrest of Meng to stand trial on the U.S. Charges. This warrant remains valid and outstanding.

SUMMARY OF THE ALLEGED FACTS SURROUNDING THE U.S. CHARGES

8. Briefly summarized, the Request alleges that starting in at least 2009, Meng and others, conspired to make misrepresentations to numerous multinational financial institutions, inducing them to continue to provide banking services to Huawei Technologies Co. Ltd. (“Huawei”) despite the fact they were operating in sanctioned countries. The alleged facts are more fully described in the “Summary of Facts” portion of the Request, a copy of which is attached to this affidavit as **Exhibit C**.

REASONABLE GROUNDS TO BELIEVE MENG IS ON HER WAY TO CANADA

9. According to the Request, on November 29, 2018, the Requesting State learned that Meng will be travelling to Vancouver, British Columbia, on Saturday, December 1, 2018, on Cathay Pacific (CX) Flight 838 which is scheduled to arrive in Vancouver at 11:30 a.m. (PST). The Requesting State believes that Meng will only be making a brief stopover in Vancouver and that her final destination is a third country (believed to be Mexico).

A PROVISIONAL ARREST WARRANT IS NECESSARY IN THE PUBLIC INTEREST

10. I have reasonable grounds to believe that it is necessary in the public interest to arrest Meng on an arrest warrant to prevent her from escaping this jurisdiction. I base my beliefs on the following grounds:
 - (a) Meng is charged in the United States of America on serious charges of fraud involving millions of dollars. If convicted, she would likely face a sentence of substantial jail time;
 - (b) Meng is the CFO of Huawei, the world’s largest telecommunications company and the daughter of Huawei’s founder. As such, she would have access to large amounts of resources to escape the jurisdiction;
 - (c) Huawei executives, appear to have altered their travel plans to avoid the United States jurisdiction since becoming aware of the United States’ criminal investigation into Huawei in April 2017. Meng, who previously visited the United

11. In light of the foregoing, I believe it is in the public interest that this Court order the arrest of Meng. I further believe that it is in the public interest that the Court order Meng to remain in detention pending the outcome of his extradition proceedings or only to release Meng on stringent bail conditions, including the appointment of sureties, to help ensure that she remains within this jurisdiction.
12. I believe that the information set out in this affidavit is true and request that a warrant for the provisional arrest of Meng be issued pursuant to section 13 of the *Extradition Act*.

Wint
Constable Winston Jop

Kerry L. Swift
Barrister & Solicitor
International Assistance Group.
Department of Justice
900 - 840 Howe Street
Vancouver, B.C. V6Z 2S9
Tel: (604) 666-0918

TO: The Attorney General of Canada

In the matter of an extradition request pursuant to the provisions of the
Extradition Act, S.C. 1999, c.18

SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

**THE ATTORNEY GENERAL OF CANADA
(on behalf of the United States of America)**

- and -

WANZHOU MENG ALSO KNOWN AS CATHY MENG; SABRINA MENG

**AUTHORIZATION TO APPLY
FOR A PROVISIONAL ARREST WARRANT
(Section 12 *Extradition Act*)**

The United States of America has requested that Canada seek the provisional
arrest of Wanzhou Meng also known as Cathy Meng; Sabrina Meng.

The Attorney General of Canada is authorized to apply for a provisional
arrest warrant.

DATED at Ottawa, Ontario, on the 30th day of November, 2018.

This is Exhibit "A" referred to in the
affidavit of Cst. Winston Yee
Sworn before me at Vancouver
in the Province of British Columbia this
30th day of November, 2018.
K. J. W. [Signature]
A Commissioner for taking Affidavits
within British Columbia

[Signature]
Cathy Chalifour, Senior Counsel
International Assistance Group
for the Minister of Justice of Canada



This is Exhibit " B " referred to in the
affidavit of...Cst. Winston Yip...
Sworn before me at...VANCOUVER...
in the Province of British Columbia this
30th day of...November...2018...
.....
A Commissioner for taking Affidavits
within British Columbia

Summary of Facts

Wanzhou Meng ("Meng"), also known as "Cathy Meng" and "Sabrina Meng," is the Chief Financial Officer ("CFO") of Huawei Technologies Co. Ltd. ("Huawei"), a corporation organized under the laws of the People's Republic of China ("PRC") and the world's largest telecommunications equipment company. Meng is a citizen of the PRC and a daughter of Huawei's founder, Ren Zhengfei. In addition to her role as CFO, Meng currently serves as Huawei's Deputy Chairwoman of the Board, and serves or has served in various roles at other Huawei subsidiaries and affiliates. Meng also served on the board of Hong Kong-based Skycom Tech Co. Ltd. ("Skycom") in or about and between February 2008 and April 2009. According to financial statements for Skycom for the years 2009 and 2010, the "principal activities of Skycom were engaged in [sic] investment holding and acting as a contractor for contracts undertaking [sic] in Iran."

According to information obtained through an investigation by U.S. authorities, including the following, Huawei operated Skycom as an unofficial subsidiary to conduct business in Iran while concealing Skycom's link to Huawei. In this manner and as explained in further detail below, Huawei could conceal the nature of certain business it was conducting in and related to Iran, which is generally considered a high-risk jurisdiction.

- Former employees of Skycom have stated, in sum and substance, that Skycom was not distinct from Huawei. For example, Skycom employees had Huawei email addresses and badges, individuals working in Iran used different sets of stationery ("Huawei" and "Skycom") for different business purposes, and the leadership of Skycom in Iran were Huawei employees;
- Documents show that multiple Skycom bank accounts were controlled by Huawei employees, and Huawei employees were signatories on these accounts between 2007 and 2013;
- Documents and email records show that persons listed as "Managing Directors" for Skycom were Huawei employees;
- Skycom official documents, including several Memoranda of Understanding, bore the Huawei logo;
- Email correspondence and other records show that all identified Skycom business was conducted using "@huawei.com" email addresses; and
- Documents show that a purportedly unrelated entity to which Skycom was supposedly "sold" in 2009 was actually also controlled by Huawei until at least in or about 2014.

Transactional records and other documents obtained by U.S. authorities further demonstrate that Huawei operated Skycom as an unofficial subsidiary to conduct business in Iran while concealing Skycom's link to Huawei. Among other things, records obtained through the investigation show that Skycom was used to transact telecommunications business in Iran for major Iranian-based telecommunications companies.

This is Exhibit "C" referred to in the
affidavit of Cst. Winston Yee
Sworn before me at VANCOUVER
in the Province of British Columbia this
30th day of November, 2018
R. J. [Signature]
A Commissioner for taking Affidavits
within British Columbia

PROVISIONAL ARREST REQUEST FOR WANZHOU MENG

The investigation by U.S. authorities has revealed a conspiracy between and among Meng and other Huawei representatives to misrepresent to numerous multinational financial institutions, including a global financial institution which conducts business in the United States (“Financial Institution 1”), Huawei’s business practices, particularly Huawei’s control of Skycom in or about and between 2009 and 2014. Specifically, Meng and other Huawei representatives repeatedly lied about the nature of the relationship between Huawei and Skycom and the fact that Skycom operated as Huawei’s Iran-based affiliate in order to continue to obtain banking services from multinational financial institutions.

The motivation for these misrepresentations stemmed from Huawei’s need to move money out of countries that are subject to U.S. or E.U. sanctions—such as Iran, Syria, or Sudan—through the international banking system. At various times, both the U.S. and E.U. legal regimes have imposed sanctions that prohibit the provision of U.S. or E.U. services to Iran, such as banking services. Of particular relevance, companies such as Huawei operating in sanctioned countries often need to repatriate income out of those countries by relying on U.S.-dollar clearing transactions, which typically pass through the United States, or Euro-clearing transactions, which typically pass through E.U. countries. Huawei was a customer of Financial Institution 1 and the other victim institutions, and conducted a significant amount of its international banking activity, including U.S.-dollar-clearing transactions, with Financial Institution 1. The financial institutions at issue, including Financial Institution 1, maintained policies by which they would not onboard Iran-based clients or process Iran-related transactions through the United States, so as to avoid exposure to U.S. civil and criminal liability. In response to due diligence inquiries by the banks regarding these internal policies, Meng and other Huawei representatives repeatedly stated that Huawei did not operate Skycom and that, with respect to Financial Institution 1, Huawei would not use Financial Institution 1 to process any Iran-related transactions.

Because Meng and other Huawei representatives misrepresented to Financial Institution 1 and the other financial institutions about Huawei’s relationship with Skycom, these victim banking institutions were induced into carrying out transactions that they otherwise would not have completed. As a result, they violated the banks’ internal policies, potentially violated U.S. sanctions laws, and exposed the banks to the risk of fines and forfeiture. In particular, these relationships included the clearing of hundreds of millions of U.S.-dollar transactions through correspondent accounts at financial institutions in New York City and Euro transactions through correspondent accounts at financial institutions in Eurozone countries. In essence, these misrepresentations exposed the financial institutions to serious harm and denied the institutions the opportunity to make decisions based on the true risk of processing certain transaction and the reputational risk associated with banking high-risk clients such as Huawei.

For example, during the relevant timeframe, Financial Institution 1 was under investigation for U.S. sanctions violations involving Iran and later entered into a deferred prosecution agreement pertaining to U.S. sanctions violations involving Iran, and could therefore have suffered criminal consequences for processing Huawei’s Iran-based transactions.

PROVISIONAL ARREST REQUEST FOR WANZHOU MENG

Relying on the misrepresentations by Meng and other Huawei representatives, Financial Institution 1 and its U.S. subsidiary cleared more than \$100 million worth of transactions related to Skycom through the United States between approximately 2010 and 2014.

Many of the misrepresentations at issue were in direct response to a series of articles published by Reuters describing how Huawei controlled Skycom, and alleging that Skycom had attempted to import U.S.-manufactured computer equipment into Iran in violation of U.S. sanctions. One of the Reuters articles reported that Meng was a member of the board of directors of Skycom for several years. In statements reported in those Reuters articles, Huawei denied control of Skycom or violations of law.

According to information obtained from international financial institutions that conducted business with Huawei, after the Reuters articles were published, several of them, including Financial Institution 1, asked Huawei whether the allegations regarding their control of Skycom and business with Iran made in the Reuters articles were true. In response to those questions, Huawei employees and executives made a series of misrepresentations, both publicly and in private communications, with various banking executives, among other things, denying Huawei's control of Skycom and claiming Huawei did not violate U.S. sanctions law.

For example, after the Reuters articles were published, Financial Institution 1 requested that Huawei provide further information and clarification regarding the relationship of Huawei and Skycom. Although those inquiries were not addressed to Meng, on or about August 2013, Meng arranged for a meeting with an executive of Financial Institution 1, and during that meeting, made a number of misrepresentations to an executive of Financial Institution 1.

During that meeting, Meng used an English interpreter and relied on a PowerPoint presentation written in Chinese. Meng stated that she was using an interpreter to be precise with her language. After the meeting, an executive from Financial Institution 1 asked for an English language version of Meng's PowerPoint presentation. Meng arranged for hand delivery of the document to Financial Institution 1 on or about September 3, 2013. The PowerPoint presentation included numerous untrue or misleading representations regarding Huawei's ownership and control of Skycom and Huawei's compliance with applicable U.S. laws. For example:

- Meng stated that "Huawei operates in Iran in strict compliance with applicable laws, regulations and sanctions of UN, US and EU," although Skycom was using the U.S. financial system to conduct prohibited Iran-related transactions;
- Meng stated that "Huawei's engagement with Skycom is normal business cooperation. Through its trade compliance organization and process, Huawei requires Skycom to make commitments on observing applicable laws, regulations and export control requirements." However, as discussed above, Huawei did not "cooperate" with Skycom; Skycom was entirely controlled by Huawei;
- Meng stated that "Huawei was once a shareholder of Skycom, and I [Meng] was once a member of Skycom's Board of Directors. Holding shares and a BOD

PROVISIONAL ARREST REQUEST FOR WANZHOU MENG

position was meant to better manage our partner and help Skycom to better comply with relevant managerial requirements.” However, as discussed above, there were no “Skycom” employees who were managed by Huawei; Skycom employees were Huawei employees;

- Meng stated that “As there was no process or organization at Skycom, Board supervision was the only way to ensure trade compliance. Holding shares or assigning Board member could help Huawei to better understand Skycom’s financial results and business performance, and to strengthen and monitor Skycom’s compliance.” As discussed above, even while Meng was on the Board, Huawei did not “monitor” Skycom’s compliance—Skycom’s “employees” were effectively Huawei employees who used Huawei email addresses.
- Meng stated that “Huawei has sold all its shares in Skycom, and I [Meng] also quit my position on the Skycom Board.” As discussed, that statement was highly misleading because Huawei sold its shares in Skycom to a company also controlled by Huawei.

Not only did Meng give this presentation herself, but both the written presentation and her oral statements to the executive of Financial Institution 1 refer to Meng in the first person, using the word “I”, indicating Meng’s personal knowledge of the facts surrounding her statements.

Following Meng’s presentation, several Financial Institution 1 risk committees relied in part upon Meng’s representations to continue banking Huawei. For example:

- A briefing paper from in or about November 2013 stated, “Huawei confirms that Skycom is a business partner of Huawei and works with Huawei in sales and services in Iran.” The minutes for the meeting reflect, “Huawei advised [Financial Institution 1] that its shareholding in Skycom was sold in 2009 and that Cathy Meng (CFO Huawei) resigned her position on the board of Skycom in April 2009 [T]he committee agreed to RETAIN the relationship with Huawei”
- Similar statements are in risk committee briefings from in or about February 2014 and March 2014. All of the committees relied on Meng’s statements, and none of these committees took adverse action related to the Huawei relationship with Financial Institution 1.
- An executive at Financial Institution 1 stated that Financial Institution 1’s risk committee decided to retain Huawei as a client because “Huawei sold Skycom and the Huawei Chief Financial Officer (CFO) was no longer on the Skycom board.” The executive further said that, had Huawei not actually sold Skycom, such a fact would have been “material” to deciding to exit the client relationship.
- On or about April 15, 2015, a Financial Institution 1 reputational risk committee

PROVISIONAL ARREST REQUEST FOR WANZHOU MENG

met in New York City to discuss whether to begin providing banking services to a Huawei U.S. subsidiary. Meng's statement about Huawei's sale of Skycom was presented to that committee, along with other information. The committee declined to provide banking services to the Huawei U.S. subsidiary.

The misrepresentations personally made by Meng were part of a broader conspiracy to misrepresent the relationship between Huawei and Skycom. Other Huawei employees and representatives made similar misrepresentations to Financial Institution 1 and to at least three other global financial institutions. For example, a reputational risk report from one of those financial institutions states that "Huawei has stated that Skycom is a HK [Hong Kong] local business partner and has no further affiliation with Huawei." Some of these misrepresentations were made, involved, or resulted in interstate and foreign wire transmissions.

IDENTIFICATION

Wanzhou Meng is a citizen of the People's Republic of China born on February 13, 1972. She is believed to reside in China. She is traveling to Vancouver, Canada on Saturday, December 1, 2018, on Cathay Pacific (CX) Flight 838, in transit to a third country, believed to be Mexico. She is scheduled to arrive at Vancouver International Airport at approximately 11:30 AM, PST. Meng will be traveling on a Hong Kong passport bearing passport number KJ0403962. The photograph attached to the Request for Provisional Arrest was obtained from a publicly available website for HUAWEI TECHNOLOGIES CO. LTD. which represents the person depicted as Ms. Wanzhou Meng (Sabrina Meng), the Deputy Chairwoman and CFO.

BASIS FOR URGENCY

The United States first obtained information regarding Meng's travel to Canada on November 29, 2018. U.S. authorities believe, based on the totality of circumstances, that unless Meng is provisionally arrested in Canada on Saturday, December 1, 2018, while in transit, it will be extremely difficult, if not impossible, to secure her presence in the United States for prosecution. The United States has no extradition treaty with the People's Republic of China, and Meng, who is the CFO of one of China's major corporate entities and the daughter of its founder, has significant assets at her disposal. She has the ability to travel and remain outside of the United States indefinitely.

U.S. authorities believe that after in or about April 2017, Huawei became aware of a U.S. criminal investigation of Huawei when Huawei's U.S. subsidiaries were served with a grand jury subpoena commanding production of, among other materials, all records of Huawei's Iran-based business. As a result, Huawei executives began altering their travel patterns, to avoid any travel to or through the United States. Specifically, high-level Huawei executives, including Meng, have ceased

traveling to the United States. Although Meng previously traveled to the United States multiple times in 2014, 2015, and 2016, her last trip to the United States was from late February through early March 2017. Meng has not come the United States since then. Moreover, another senior Huawei executive

came to the United States at least four times between 2013 and 2016, and has not traveled to the United States since then.